

Senator Fonfara, Representative Fontana, members of the Energy & Technology Committee:

My name is Gary Hale and I am here on behalf of Pareto Energy to testify on Senate Bill 457: **"AN ACT CONCERNING ENERGY IMPROVEMENT DISTRICTS"**.

As a result of your efforts on this committee and on the floors of the General Assembly, a rapidly growing number of communities in Connecticut are seeking to create Energy Improvement Districts (EIDs) by local ordinance.

In my role representing Pareto Energy here in Connecticut I have gone from trying to open local doors to discuss this new idea to responding to requests to come to town halls to explain how the districts can be created in compliance with the law passed last year.

As word of this opportunity circulates among local leaders, the demand for advice and expertise grows dramatically.

Local municipal & educational leaders, business owners and institutional leaders are seeking the creation of EIDs for several important policy and practical reasons:

- To establish some degree of local control over their energy usage and policies;
- To mitigate their long term energy costs through innovative programs for budgetary and planning purposes;
- To make use of environmentally friendly energy best practices to do their local part to reduce global warming and reduce their carbon footprint;
- To reduce their dependence on foreign sources of energy;
- To improve their local economic development by coordinating local energy policy; and in some cases
- To improve their local energy reliability and quality.

The bill before you would solve some small technical matters that local leaders have pointed out during these early stages of the EID program in Connecticut.

First, it would allow a municipality to create more than one EID in the community. Also, for purposes of local administrative efficiency, it would also allow a community that has more than one EID to appoint one EID board to oversee the various districts.

For purposes of illustration, in my old hometown of Ansonia, Mayor Della Volpe and the local Board of Aldermen have made the whole city an Energy Improvement District even though their targets are the 2 or 3 commercial and industrial area in Ansonia.

This legislation would allow the Mayor to have just one EID board instead of having to appoint two or three separate boards with the same responsibilities.

Secondly, the bill would allow adjoining municipalities to combine their Energy Improvement Districts into one EID as long as the several communities pass their own local ordinances authorizing such an action.

This regional approach could lead to greater economies of scale and local efficiency while retaining local control.

Wethersfield, Newington, Rocky Hill and Berlin have expressed interest in this approach and we have been asked by other communities if such an approach could be made possible by the Legislature.

I thank you for your hard work and consideration in this exciting new area for Connecticut and I look forward to working with you in the future.